GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:2987
ANSWERED ON:16.03.2001
DISINVESTMENT IN FERTILISER UNITS
UMMAREDDY VENKATESWARLU

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether the Government have drawn up a time bound schedule for disinvestment of equity in the public sector fertiliser units;

(b) if so, the respective plans for the units where the Government have plans to disinvest;

(c) the extent to which this enable the fertiliser industry to modernise;

(d) whether any arrangement has been made with financial institutions to inject capital into such units; and

(e) if so, the details thereof ?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF DISINVESTMENT, MINISTER OF STATE MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINISTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS AND PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a) & (b) The Government ,as of now, has taken decision in principle to disinvest in Paradeep Phosphates Limited, National Fertilisers Limited and Madras Fertilisers Limited. The disinvestment through strategic sale is proposed for 74% of the equity of PPL ; 51% of the equity of NFL and 32.74% equity of MFL.The process of disinvestment has been taken up and has not yet been completed.

(c) The management, after the induction of the strategic partner, is expected to adopt such measures as would be necessary to modernise the units.

(d) & (e) As of now, there is no proposal for any arrangement with financial institutions for injection of equity capital in these undertakings.